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BEFORE THE ARIZONA CORPORATION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

APR 10 2013

BOB STUMP - Chairman
 GARY PIERCE
 BRENDA BURNS
 BOB BURNS
 SUSAN BITTER SMITH

DOCKETED BY

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IN THE MATTER OF THE APPLICATION OF
 CASA GRANDE WEST WATER COMPANY, INC.
 FOR APPROVAL OF FINANCING.

DOCKET NO. W-01990A-09-0572

IN THE MATTER OF THE APPLICATION OF
 CASA GRANDE WEST WATER COMPANY, INC.
 FOR A RATE INCREASE.

DOCKET NO. W-01990A-09-0573

Decision No. **73828****ORDER**

Open Meeting
 April 9 and 10, 2013
 Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
 Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. Decision No. 72035 authorized Casa Grande West Water Company, Inc. ("Casa Grande" or "Company") to incur Water Infrastructure Financing Authority ("WIFA") debt for the purpose of financing arsenic treatment facilities and 100,000 gallons of additional storage capacity.

2. Decision No. 72035 ordered Casa Grande to file, by March 31, 2011, an Arizona Department of Environmental Quality ("ADEQ") Approval of Construction ("AOC") for the arsenic treatment facilities, and to file, by December 31, 2011, an ADEQ AOC for 100,000 gallons of additional storage capacity.

3. Decision No. 72035 authorized the Company to file an application for approval of an arsenic remediation surcharge after it secured the WIFA financing.

4. On September 29, 2011, as authorized by Decision No. 72035, Casa Grande filed a request to implement an arsenic remediation surcharge.

1 5. On December 9, 2011, the Commission issued Decision No. 72717 in these dockets
2 authorizing implementation of the arsenic remediation surcharge. Decision No. 72717 ordered the
3 Company to file a tariff in conformance with the approved surcharge, and to notify its customers of
4 the surcharge.

5 6. On December 19, 2011, Casa Grande filed a letter requesting an extension of time of
6 one year to file the AOC for the additional storage capacity. In the letter, Casa Grande stated that
7 while it had been planning the additional storage facilities, it had not yet completed construction of
8 the additional storage capacity because it had been devoting its personnel to operating the Company
9 and completing the arsenic treatment facilities in order to provide safe drinking water to its
10 customers.

11 7. On December 30, 2011, Casa Grande filed an Arsenic Surcharge Tariff as ordered by
12 Decision No. 72717.

13 8. Also December 30, 2011, Casa Grande filed a Notice of Surcharge that was mailed to
14 its customers on December 27, 2011, in compliance with Decision No. 72717.

15 9. Also on December 30, 2011, the Commission's Utilities Division ("Staff") filed a
16 response to Casa Grande's December 19, 2011, extension of time request. Staff stated that it did not
17 object to a one year extension of time for the filing of the AOC demonstrating completion of the
18 additional storage capacity.

19 10. On February 17, 2012, the Commission issued Decision No. 72890, extending the
20 deadline for the filing of the AOC demonstrating completion of the additional 100,000 gallons of
21 storage capacity to December 31, 2012.

22 11. On January 18, 2013, Casa Grande filed a request for an additional extension of the
23 time deadline set by Decision No. 72035 to file the AOC for the required additional storage capacity
24 ("Request"). In the Request, Casa Grande stated that the invitation for prospective contractors to bid
25 on the new storage tank opened in October, 2012, and was set to close on January 18, 2013. Casa
26 Grande stated that the bid had to be extended due to the need for a Geotechnical Soil Analysis Report
27 that was required in order to obtain accurate proposals from prospective bidders. The Request also
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1 noted that the WIFA funding for the project must be expended by April 14, 2014, and that Casa
2 Grande is currently on course to meet that deadline.

3 12. The Request included an apology by Casa Grande's manager for the untimely filing.
4 The Request states that the reason for the untimely filing was an oversight that occurred when Casa
5 Grande had to change accountants.

6 13. On March 8, 2013, Staff filed a memorandum in this docket. Staff noted that Casa
7 Grande admitted to an oversight that led to its untimely filing the Request. Staff stated that based on
8 the admission of the oversight, the unforeseen extension of the bidding deadline, and the WIFA
9 funding deadline of April 14, 2014, Staff does not object to an extension of time for filing the AOC to
10 July 1, 2014.

11 14. Casa Grande's Request demonstrates the existence of circumstances that warrant
12 additional time to comply with the extended deadline for filing the AOC, due to the unforeseen need
13 for the preparation of a Geotechnical Soil Analysis Report prior to taking competitive bids on the
14 storage tank project.

15 15. Casa Grande's request is reasonable and should be granted.

16 **CONCLUSIONS OF LAW**

17 1. Casa Grande is a public service corporation within the meaning of Article XV of the
18 Arizona Constitution and A.R.S. §§ 40-250, 40-251, 40-301, 40-302, and 40-303.

19 2. The Commission has jurisdiction over Casa Grande, and the subject matter of this
20 proceeding, including Casa Grande's request for an extension of time to comply with Commission
21 Decision No. 72035.

22 3. Under the circumstances, it is reasonable and in the public interest to grant Casa
23 Grande's request for a time extension to file the AOC demonstrating construction of the additional
24 storage facilities.

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ORDER

IT IS THEREFORE ORDERED that the compliance deadline set by Decision No. 72035 for Casa Grande West Water Company, Inc. to file an Arizona Department of Environmental Quality Approval of Construction demonstrating construction of 100,000 gallons of additional storage capacity is hereby extended to July 14, 2014.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

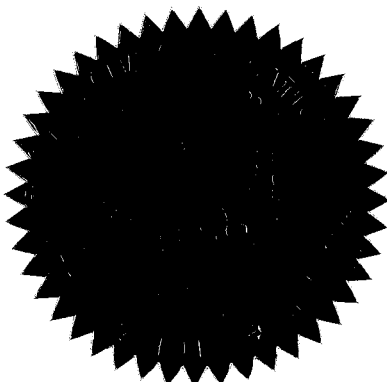
CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER



IN WITNESS WHEREOF, I, JODI JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 10th day of April 2013.

JODI JERICH
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____

1 SERVICE LIST FOR:

CASA GRANDE WEST WATER CO, INC.

2 DOCKET NOS.:

W-01990A-09-0572 AND W-01990A-09-0573

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